

# The Young Accountants Remembrancer,

Directing him to Find the Proper DEBITORS and CREDITORS in the most Usual Transactions and Occurrences of TRADE:

With the Method of Ballancing *Accounts*, and Transferring them into a New *Liedger*. By Tho. Mercer. The Third Edition with Additions.

Money.

Goods.

Goods, &c. in Company.

For a Debt. { Received. Dr. Cash. Cr. The Person of whom (or for whose account) received. } And when it is in full, be sure to express it so.  
{ Paid. Dr. The Person to whom (or for whose account) paid. Cr. Cash. }  
At Interest. { Taken up. Dr. { Cash, for the Principal received. } Cr. The Person of whom Borrowed, for both the Principal and Interest. } Inserting the Time when payable.  
{ Lent. Dr. The Person to whom you Lend it, for Principal and Interest. } Cr. Cash, for the Sum Lent.  
Upon Insurance. { Received. Dr. Cash. Cr. Insurance-Account. Expressing what Summe you Insure, on what account; and to whom you Insure it. }  
{ And if a Loss happen. Dr. Insurance-Account. Cr. The Person to whom you Insured. } The Balance whereof, when the Account is cleared, must be carried to Profit and Loss.  
{ Paid. Dr. Insurance-Account. Specifying (as before) what Summe is Insured to you, on what account, and by whom. Cr. Cash. }  
{ And if a Loss happen. Dr. The Insurer. Cr. Insurance-Account. }  
For Charges on Goods. { Outwards sent to your Factor or Correspondant. } { Upon your own account. Dr. The Voyage. }  
{ Received from } { As also for what you pay for Insurance thereof. } { For his account. Dr. His Account Current. } Cr. Cash. { Always expressing the particulars, whether it be for Freight, Custom, Wharfage, &c. }  
For Legacies. { Received. { Out of an Estate to which you are Executor. Dr. The Estate. Cr. Profit and Loss. }  
{ Paid. Dr. The Persons to whom paid; (if they have Credit for them in your Liedger.) otherwise, Dr. The Estate of the Deceased. Cr. Cash. }  
By Composition. { Received. { parts of a Debt for the whole } Dr. { Cash, for what you receive } Cr. The Person who Compounds his Debt.  
{ Paid. } { Dr. The Person with whom you Compound. } Cr. Cash, for what you pay him.  
Gratuities. { Received. Dr. Cash. Cr. Profit and Loss. } Or if the Value be considerable, let Stock have Credit or be made Debtor;  
{ Paid. Dr. Profit and Loss. Cr. Cash. } As in the case of Portions received or given on Marriages.  
By Exchange. { Drawn or Remitted. { Berwick your Self and for your own account. } { If You Draw, or He Remits. Dr. Cash. Cr. Such Factor (my) Account Current. } Keeping Account of the Foreign Money.  
{ Remitted or drawn for your account. } { For his proper account. } { If You Draw, or He Remits. Dr. Cash. Cr. (His) Account Current. } Keeping the Account in Sterling only.  
Delivered. { For Bills of Exchange which you do not presently send away to your Correspondant. Dr. Account of Exchanges. Cr. Cash. } And if afterwards you send those Bills to your Factor or Correspondant, then  
{ For such Factor my Account Current, as above. But if you negotiate those Bills, receiving Money for them, then Dr. Cash. Cr. Account of Exchanges. }  
Taxes. { Paid. { For your own Estate. Dr. Profit and Loss. Cr. Cash. }  
{ Discompted by a Tenant. } { Out of Rent due to your self. Dr. Profit and Loss. Cr. Your Tenant. }  
Paid. { For Rent, Expence of House keeping, Servants Wages, Apparel, Pocket Expence, &c. Dr. House-Expences. } Cr. Cash.  
{ For Warehouse room, Wharfage, Portage, Cartage, Postage of Letters, with all other general charges on Goods, not easily divided to the several sort of Goods in particular. } Dr. Charges of Merchandise. }  
Be sure that on the Debtor side of your Cash-Book, next after the word (To), with which you begin every Receipt, you insert the person or thing which must have Credit. And on the Credit side, next after the word (By or Paid) with which you begin every Payment, you insert the person or thing which must be made Debtor in your Liedger.

Some of those

## General RULES

Which are always to be observed, are as follows;

1. That every Journal-parcel consisting of a Debtor and a Creditor; Consequent every Entry you make in your Liedger, must always be wrote doubly, charging one Account with the same Summe you discharge another. The same Rule holds when you make sundry Accounts Debtors to one Creditor, or give sundry Accounts Credit by one Debtor; without the exact observance whereof your Liedger can never Balance.

2. That for whatsoever you receive (either in Trade, or whereby your Stock is considerably augmented) some Account must be charged, or made Debtor. And for whatsoever you deliver (in like Case) some Account must be discharged, or have Credit.

3. That the Account of Stock in your Liedger, is indeed your self, and is therefore made Debtor to all those Persons to whom you are indebted. And has Credit by all the Persons and Accounts which are indebted to you; whereof your Estate consists, when you begin your Liedger. So that all other Accounts which you have afterwards opened to make, however they are to be wrote for the sake of necessary Distinction in the Advertis of Trade (as such Person by Account Current, — my Account Current, — His Account in Company, — my Account in Company, &c.) are in reality all Debtors to, and have Credit by your self. These Accounts only excepted which are of the same nature with Stock; and are made only for the sake of exactness in method: Such as Profit and Loss, — House-Expences, — Account of Interest. Or any other Account from whence you can make no Demand, nor any Demand be made upon you.

4. That whosoever receives any thing for your Account, either in payment of a Debt due to him, or for which he is to be accountable to you; and whatsoever you have any part of your Estate in, must always be made Debtor.

5. The Accounts, whether they be for Goods, Voyages, or any thing else whatsoever, from whence any new Debtor arises, must always have Credit.

Note, That to avoid filling your Liedger with trifling and unneccessary Accounts, you may make an Account of General Merchandise, and whenever you buy any sort of Goods or Commodities (for Sale) amounting to no great value, for which you have already no Title in your Liedger, and wherein you do not intend to have frequent or considerable Dealings, — You may make that Account of General Merchandise, Debtor for the Cost of such Goods. Carefully remembering to give that Account Credit again when you sell any of those Goods or Commodities.

Note also, That to avoid the necessity of making distinct Titles in your Liedger for every Person who may owe you Money, or to whom you may be indebted, you may make a (General Account), and when the Summe is small and inconsiderable, which sometimes happens, make (General Account) Dr. for what such Persons are indebted to you; and give that Account Credit for what you owe to such Persons; observing that you make an inner Column in that Account in your Liedger, wherein to insert the Persons Names who are the real Debtors and Creditors. And remembering, that upon your Receipt or Payment of such Debts, you Credit or Debit the same Account.

You may also make two General Accounts, which will serve in lieu of Particular Accounts for all those Persons to whom you are to pay any Bills of Exchange drawn upon your self; or of whom you are to receive any Bills of Exchange remitted to you from your Correspondents, viz. (Account of Bills payable) and (Account of Bills receivable); the former of which may have Credit for all such Bills of Exchange drawn upon you, as you shall sign accepted for Payment: And the latter may be made Debtor for all such Bills remitted to you, as any other Person shall have accepted for Payment to your self. — In Case you have no Account with those Persons, of whom you are to receive, or to whom you are to pay such Bills, already in your Liedger.

### To Balance your Liedger in order to Transport into New Books. Observe;

First, That all Accounts which are not exactly Balanced, are to be closed either by Account of Balance, Or Profit and Loss.  
Secondly, When Accounts are finished and determined, viz. { Of Goods, by the Sale of the whole, } { If there be Gain thereby. Dr. Those Goods. Cr. Profit and Loss. }  
{ With Persons, by Receipts or Payments in full. } { If there be Loss thereby. Dr. Profit and Loss. Cr. The Goods. }  
Thirdly, Such Accounts as remain unfinished, viz. { Of Goods, part remaining unsold. Dr. Balance. Cr. The Goods: valuing them as near as you can to their worth. }  
{ With Persons, if they are Debtors. Dr. Balance. Cr. Their Accounts. }  
{ Creditors. Dr. Their Accounts. Cr. Balance. }  
Lastly, When all your other Accounts are closed, except the Accounts of Profit and Loss, and Balance — To close them also, and your Account of Stock. Dr. Account of Stock. Cr. Balance. And Dr. Profit and Loss. Cr. Stock. After which Entries, (if no mistake has been committed in your Books) those three Accounts will exactly Balance each other. The Excess on the Debit side of Balance, (for which Stock is made Dr.) shewing the just value of your Estate. And the Excess on the Credit side of Profit and Loss, (for which that Account is made Dr. To Stock) shewing how much you have gained since you last Balanced your Books.  
Note, The Account of Stock in your New Liedger, will be the exact Transcript of the Account of Balance in your Old; the order only inverted; viz. The Accounts on the Debtor side of Balance (being Debtors to you) must therefore be Copied on the Credit side of your New Account of Stock. And the Accounts on the Credit side of Balance (to whom you are indebted) must (for the same reason) be entered on the Debtor side thereof.